

July 1, 2002

Administrative Law Judge Sarah R. Thomas  
California Public Utilities Commission  
505 Van Ness Avenue, 5th Floor  
San Francisco, CA 94102

Attached is the information required as part of the Evaluation, Measurement and Verification Contracts for the third party local energy efficiency programs.

Specific information requested in the June 17th Ruling:

- Identification of the Recipient(s) and local energy efficiency programs for which the Contractor proposes to perform EM&V services;

*Richard Heath & Associates Mobile Home Project – SDG&E Service area.*

- An explanation of why the Contractor is independent of Recipient;

*Business Economic Analysis and Research has no affiliation with Richard Heath and Associates.*

- A list of all work the Contractor has done with or for the Recipient;

*Business Economic Analysis and Research has performed no work for Richard Heath and Associates.*

- An explanation of any factor that might lead a reasonable person to question whether the Contractor is actually independent of the Recipient;

*There is no factor that would lead any reasonable person to think there is nothing but independence between Business Economic Analysis and Research and Richard Heath & Associates.*

- A description of any reason why the Commission might not select the Contractor (e.g., Contractor's outstanding state tax liens, present or former bankruptcy, pending civil or criminal litigation or other proceedings, license suspensions or other similar actions, or criminal convictions).

*Business Economic Analysis and Research is in good standing in the community and with creditors and sees no reason why the Commission would not allow approval to perform the EM&V work for the Richard Heath & Associates Mobile Home Project.*

## About Business Economic Analysis and Research

Business Economic Analysis and Research (BEAR) provides consulting services directly to major companies and also subcontracts to major utility economic research firms. BEAR specializes in providing economic analysis, data management, and statistical analysis and modeling services utilizing existing analysis tools and methods.

The services that BEAR supplies include:

- SAS Programming
- Economic Analysis
- Econometric Modeling and Forecasting
- Market Research
- Data Base Development and Management
- Investment Benefit/Cost Calculations
- Decision Choice Modeling

BEAR has been in business for 17 years and is headed by Ken Parris who received a M.A. in Urban Economics from the University of California Santa Barbara in 1979. Mr. Parris was formerly employed by Applied Econometrics as a consultant, San Diego Gas and Electric Company as a rates analyst, and the city of Oxnard, California as a budget analyst. Mr. Parris has an excellent reputation for working in SAS, managing large data sets and performing analysis in a thorough and timely manner.

His recent project experience includes:

Low income assistance load impact	XENERGY (April 2002)
Customer satisfaction analysis	Lexus
Customer service call analysis	Experian
Dynamic load profile development	Regional Economic Research
Gas meter avoided cost study	Sempra Energy
Gas load research data cleaning	Pacific Gas and Electric
California lighting analysis	California Energy Commission
Residential UEC estimates	Pacific Gas & Electric
Cost allocation segment models	Southern California Gas
Customer related cost analyses	Southern California Gas
Residential UEC estimates	Southern California Gas
Performance based rate tariff	
change impact analyses	Southern California Gas
Datamart Commercial Analysis	Primen
DSM impact evaluation support	SDG&E

Subcontracts with utility economic research firms includes:

- XENERGY
- Regional Economic Research
- Primen

Contact Information: Kenneth M. Parris  
6639 San Miguel Ave.  
Lemon Grove, Ca 91945  
(619) 287-6579

EXPERTISE:

Data base development and maintenance

Policy decision analyses

Forecasting system development

Statistical modeling

SAS software programming

EXPERIENCE:

1985 - present: Business Economic Analysis & Research - Owner

Provide computer programming, statistical modeling, and economic services to public and private sector entities.

Clients and selected projects include:

Xenergy - subcontractor

Performed energy impact analyses of residential low income energy efficiency programs and electric savings impact for the LADWP Better Idea Lighting program.

Lexus

Analysis of Lexus financing experience has on overall customer sales satisfaction and an analysis of the impact of redefining elite dealer scoring methods.

Experian

Analysis of customer service call activity and the creation of a customer service call data warehouse table.

Southern California Gas Company

Company PBR income sensitivity model, conservation potential baseline saturations, analysis of appliance saturations and energy use in the residential markets, long run residential forecast parameter and input data development, and commercial sector forecasting system.

Heschong Mahone Group - subcontractor

Performed analyses of residential and commercial surveys to develop baseline lighting technology saturation and usage estimates for a State of California lighting model.

Pacific Gas and Electric Company

Develop residential electric and gas appliance estimates using conditional demand analysis on the 1994 RASS survey and cleaning gas load research sample data.

Regional Economic Research Inc. - subcontractor

Analysis of energy use in old and new residential construction for SDG&E and PG&E, developed and estimated a short run forecasting model of non-utility electric generation for the California Energy Commission, calibrated commercial end-use load shape profiles for FP&L, reviewed residential conditional demand studies for EPRI, probability of being hired as an airline pilot model for Northwest Airlines, analysis of appliance saturations in PG&E service territory regions, estimated long run gas price elasticities for SDG&E customer classes, and developed an electric forecasting system for Baltimore Gas and Electric.

San Diego Gas and Electric Company

DSM impact evaluation data support and analysis of various marketing information databases

Los Angeles Department of Water and Power

Residential time-of-use rate experiment load shifting analysis, analysis of conservation attitudes on energy consumption and participation in time-of-use rate program, and DSM program evaluation data support.

National Economic Research Associates - subcontractor

Provide load research sample data support in a marginal cost pricing study for the Los Angeles Department of Water and Power.

1981 - 1985: Applied Econometrics, Inc. - Consultant

Consultant to electric and gas utilities on power requirements and conservation program analysis, blended engineering and economic behavior theory in developing energy demand models, supervised personnel in estimating statistical models, and report writing.

Projects included:

Study of natural gas consumption in the non-residential sectors of the Southern California Gas Company (SoCal), analysis of the SDG&E load management peakshift experiment, conditional demand analysis of energy consumption in the SDG&E residential housing categories, study of PG&E weatherization program, analysis of gas consumption for SIC class 3361 in the SoCal territory,

residential appliance energy consumption in the SoCal service territory, analysis of the penetration of conservation measures in the SoCal service territory, a conditional demand study of the SDG&E direct weatherization assistance program, energy use and conservation in the commercial sector for EPRI, and commercial equipment specific energy estimates in the SoCal service territory.

1979 - 1981 San Diego Gas and Electric Company - Rate Analyst

Designed electric rates based on the marginal costs of service, incorporated price elasticity effects in electric residential energy cost adjustments, estimated demand equations for the residential and large industrial customer classes, developed incentive rates to utilize excess off-peak energy and capacity, reviewed impact on rates of potential purchase power energy contracts, and analysis of consumption changes due to time of day rates.

1978 - 1979 City of Oxnard - Management Intern

Monitored the financial budget for the 1979-84 capital improvement program, performed financial analysis of Oxnard's park facilities project, forecasted future revenues from state subventions, computed wastewater user rates, analyzed fiscal impacts of potential land acquisitions, and developed municipal user fee manual.

#### EDUCATION:

B.A., San Diego State University, 1977  
Economics

M.A., University of California, Santa Barbara, 1979  
Urban Economics, emphasis in government finance

#### PUBLICATIONS:

"Municipal Government Revenue Sources in Post Proposition 13 California," Community Organization and Research Institute, University of California, Paper No. 23, August, 1979.

#### CO-AUTHOR of PAPERS:

Impact Evaluation of the 2000 Statewide LIEE Program, Southern California Edison, April, 2002.

Impact Evaluation of the 1998 Statewide LIEE Program, Southern California Gas Company DSM Group, April, 2000.

"California Residential Lighting Baseline," Journal of the Illuminating Engineering Society, Winter, 1998.

First Year Impact of the Southern California Gas Company Direct Assistance Program, Southern California Gas Company DSM Group, July 1993.

First Year Impact of the Southern California Gas Company New Construction Program, Southern California Gas Company DSM Group, October 1993.

Residential End-Use Energy Consumption: A Survey of Conditional Demand Estimates (EPRI Project 2547-1), Regional Economic Research, October 1989.

Appliance Saturations and Gas Use in the Single Family Sector, Southern California Gas Company Reg Affairs Department, February 1988.

Appliance Saturations and Gas Use in the Multi Family Sector, Southern California Gas Company Reg Affairs Department, February 1988.

Energy Use and Conservation in the Commercial Sector: A Conditional Demand Study (EPRI Project 2152), Applied Econometrics, January 1985.

A Conditional Demand Study of the Direct Weatherization Assistance Program, Applied Econometrics, February 1984.

Residential Appliance Energy Consumption in the Southern California Gas Company Service Territory, Applied Econometrics, June 1983.

A Binary Logit Analysis of Conservation Penetration in the SoCal Service Territory, Applied Econometrics, June, 1983.

Final Report on the Analysis of the SDG&E Peakshift Experiment, Applied Econometrics, January 1983.

Analysis of Natural Gas Consumption in SIC Class 3361 - Aluminum Foundries, Applied Econometrics, December 1982.

Single Family Residential Appliance Energy Consumption in the Southern California Gas Company Service Territory, Applied Econometrics, September 1982.

A Conditional Demand Analysis of End-Use Energy Consumption in the Previously Existing and Newly Constructed Residential Housing Categories, Applied Econometrics, May 1982.

A Conditional Demand Study of the PG&E Weatherization Program, Applied Econometrics, April 1982.

A Conditional Demand Analysis of the SDG&E Peakshift Experiment, Applied Econometrics, April 1982.

A Conditional Demand Study of Natural Gas Consumption in the Non-Residential Sector, Applied Econometrics, July, 1981.

SDG&E Price Sensitivity Results and Future Applications, paper and oral presentation to the California Public Utilities Commission Staff, November 1980.